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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/092,005	03/06/2002	Gordon P. Getty	8102P001	7579
8791 7590 04/16/2007 BLAKELY SOKOLOFF TAYLOR & ZAFMAN 12400 WILSHIRE BOULEVARD SEVENTH FLOOR LOS ANGELES, CA 90025-1030			EXAMINER HARBECK, TIMOTHY M	
			ART UNIT	PAPER NUMBER
			3692	
SHORTENED STATUTORY PERIOD OF RESPONSE		MAIL DATE	DELIVERY MODE	
3 MONTHS		04/16/2007	PAPER	

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No. 10/092,005	Applicant(s) GETTY, GORDON P.	
	Examiner Timothy M. Harbeck	Art Unit 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 January 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-17 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-17 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date <u>01/22/2007</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-4 are rejected under 35 U.S.C. 102(b) as being anticipated by Kiron et al (hereinafter Kiron, US PAT 5,806,048).

Re Claim 1: Kiron discloses a method of providing liquidity to an investment fund utilizing a liquidity vehicle, comprising:

- Prompting at least one investment fund having a net share outflow to offer shares to the liquidity vehicle (Column 2 line 64 – Column 3, line9)
- The liquidity vehicle purchasing at least one offered share of the at least one investment fund with proceeds of the purchase going to the at least one investment fund (Column 3, lines 12-14)
- Holding the at least one purchased share in the liquidity vehicle for a period of time (Column 3, numerals A, F and G)

Re Claim 2: Kiron further discloses wherein the investment fund is prompted by the liquidity vehicle in step (a) (Column 2 line 57-Column 3 line 9; securitized fund)

Re Claim 3: Kiron further discloses wherein the investment fund is prompted by a third party (Column 3, lines 15-37 “investors”)

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Re Claim 4: Kiron further discloses redeeming at least one of the share from the investment fund (Column 3, numerals A, F and G, 'traded at any time.')

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 5-17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kiron.

Re Claim 5-7: Kiron discloses the claimed method supra but does not explicitly disclose wherein at least one offered share is purchased in step (b) prior to the next trading day after the occurrence of an outflow, wherein step (d) is performed prior to the next day following the occurrence of an inflow of shares of the same investment fund, and wherein step (d) is performed within five trading days of the occurrence of an inflow of shares of the same investment fund on a trading day.

However Kiron does disclose that an open end fund 'when securitized, can be listed on a stock exchange and traded at any second, minute or hour, regardless of the open end fund N.A.V.' (Column 3, lines 11-13). Therefore it would have been obvious to a person of ordinary skill in the art to utilize the system of Kiron to perform these steps so that investors can buy or sell the securitized fund as often as they wish.

Re Claim 8: Kiron discloses the claimed method supra but does not explicitly disclose the step wherein a fee is charged by the liquidity vehicle in connection with the

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purchase of the at least one offered share in step (b). However, Kiron notes that an advantage of the invention is that open end fund management 'will benefit from reduced volatility in their cash levels, and in the frequently traded customer account assets, resulting in lower fund expense ratios' (Column 3, lines 39-42). Therefore it would have been obvious to a person of ordinary skill in the art at the time of invention for the securitized fund to charge a fee for the services and benefits provided to the open ended fund.

Re Claims 9 and 10: Kiron discloses the claimed method supra but does not explicitly disclose wherein the fee is determined through an auction or a Dutch auction. Official Notice is taken that it was old and well known in the art at the time of invention to utilize an auction or a Dutch auction in order to stimulate competition for service providers. It would have been obvious to a person of ordinary skill in the art to modify Grant to include this step so the customer can receive the best rate possible amongst the providers.

Re Claim 11: Kiron discloses the claimed method supra but does not explicitly disclose wherein the fee is determined by the liquidity vehicle. Official Notice is taken that it is notoriously old and well known to allow providers to set their own fees as a means to attract customers. It would have been obvious to a person of ordinary skill that competition aspect of Grant would inherently involve the pricing of the respective fees amongst the liquidity providers. If the providers could not set their own fees, this competition would be eliminated, as the providers would have to accept a rate applied from an outside source.

Re Claim 12: Kiron discloses the claimed method but does not explicitly disclose the step wherein a fee is charged by an entity other than the liquidity vehicle in connection with the purchase of the at least one offered share in step (b). Official Notice is taken that the step of charging a fee for the purchase of stock by another entity, such as a broker, is notoriously well known in the art. It would have been obvious to a person of ordinary skill in the art to include this step so that third parties are able to facilitate the trading.

Re Claims 13-14: Kiron discloses the claimed method supra but does not explicitly disclose wherein the period of time for holding the at least one purchased share in step c does not exceed the period between the sale of the at least one share in step (b) to the liquidity vehicle and the date by which the investment fund has experienced a net share inflow following the sale equal to at least the number of shares sold to the liquidity vehicle in step (b) and wherein the period of time for holding the at least one purchased share in step c does not exceed a predetermined number of days more than the period between the sale of the at least one share in step (b) to the liquidity vehicle and the date by which the investment fund has experienced a net share inflow following the sale equal to at least the number sold to the liquidity vehicle in step (b). However Kiron does disclose that an open end fund 'when securitized, can be listed on a stock exchange and traded at any second, minute or hour, regardless of the open end fund N.A.V.' (Column 3, lines 11-13). Therefore it would have been obvious to a person of ordinary skill in the art to utilize the system of Kiron to perform these steps so that investors can buy or sell the securitized fund as often as they wish.

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Re Claims 15 and 16: Further system claims would have been obvious in order to implement the previously rejected method claims 1-14 and are therefore rejected using the same art and rationale.

Re Claim 17: Further computer readable medium claims would have been obvious in order to implement the previously rejected method claims 1-14 and is therefore rejected using the same art and rationale.

Response to Arguments

Applicant's arguments, see Remarks, filed 1/22/2007, with respect to the rejection(s) of claim(s) 1-17 under USC 102 and 103 have been fully considered and are persuasive. Therefore, the rejection has been withdrawn. However, upon further consideration, a new ground(s) of rejection is made in view of Kiron et al (US 5,806,048).

The examiner was persuaded by the applicants arguments with respect the the Grant reference cited in the prior office action, however in light of the Remarks filed, the examiner has discovered the Kiron reference which appears relevant to the present invention. With regards to the independent claims, as currently presented, the examiner believes that Kiron reads on the current limitations. Kiron discloses an investment fund (mutual fund), a liquidity vehicle (securitized fund) that invests in said investment fund (proceeds going to the investment fund) and holding the purchased share for a period of time.

However the examiner feels there may be patentable subject matter with regards to the relationship of the liquidity vehicle and the investment fund of the present

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invention. In Kiron the two entitles appear to be separate and distinct from one another. The 'vehicle' of Kiron invests in the mutual fund, but there does not appear to be a direct relationship. In the present invention, at least in the examiners interpretation, it appears as if there is relationship or agreement or otherwise between the entities that may make the present invention patently distinct. For instance, current claim 8 seems to suggest a relationship between the vehicle and the fund as do some of the timing rules associated with claims 5-8. The examiner respectfully suggests that the applicant explore the possibility of further defining the relationship between the entities in the independent claims to place the application in better position for allowance.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on 571-272-6777. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



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SUPERVISORY PATENT EXAMINER